

Railroad Commission of Texas

Statewide Rule 13

Midland, Texas October 2015

RRC Mission Statement



Our mission is to serve Texas by our stewardship of natural resources and the environment, our concern for personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans.

Session Description



Discussion of the newly revised Statewide Rule 13 regarding casing, cementing, drilling, well control and completion requirements.



Intent §3.13(a)(1)

- Securely anchor casing
- Isolate and seal off all useable quality water zones
- Isolate all productive zones, potential flow zones and zones with corrosive formation fluids



Terms of Interest §3.13(a)(2)

Zone of Critical Cement

Protection Depth

Stand under pressure

Productive Zone

Potential Flow Zone



Surface Casing Requirements §3.13(b)(2)

- Set sufficient casing to isolate all defined usable quality water strata
- Surface casing must be cemented
- Cement must be circulated to surface



Cement Compressive Strengths §3.13(b)(2)(C)

- Critical Zone cement > 1200 psi in 72 hours
- Filler cement > 250 psi in 24 hours
- API free water separation less than 2 mL water/250 mL
- RRC may require a better cement mixture
- Test slurries according to API RP 10 B
- Sample analysis



Alternative Surface Casing Requirements §13(b)(2)(G)

- Operator may request authority to set more or less casing than the required protection depth
- Alternative programs require approval by the appropriate District Director
- Fee of \$375.00 per well will be assessed



ONLINE	System				Choose an Application 🗸	Go	Log In
Log In Log in to access the RF	RC Online System.						
UserID:							
Password:							
	Submit	Forgot Password?	OR	Forgot User Id?			

The RRC Online System allows authorized entities to electronically file certain forms with the Railroad Commission online or through EDI. Forms processed through this system are ones containing data that has been migrated from the Commission's mainframe to an open system environment. Through the RRC Online System, forms can be filed online over the Internet using a web browser, or data files can be uploaded through the application.

How to Obtain a User ID:

To utilize the Online Filing system, you must have a User ID that is assigned to you by your company's designated Security Administrator. A company or individual may designate a Security Administrator by completing the Security Administrator Designation (SAD) form and mailing it to the RRC. When the SAD form is processed, the Security Administrator will receive a User ID and a temporary initial password. The Security Administrator will be able to log into the RRC Online System using their assigned User ID and create User IDs for users within their company. They will also be able to assign certain electronic filing rights for those accounts, and perform account maintenance activities (such as resetting passwords) when needed.

If you are uncertain whether your company has a security administrator, please email the Commission at <u>rrconline-security@rrc.state.tx.us</u>.

- 1. Read the requirements for participating in online filing.
- 2. Print the SAD form.
- Complete and sign the form then mail it to the RRC, following instructions on Page 2 of the form. When the form is processed, the designated security administrator will receive a User ID and temporary password by email.
- 4. The security administrator will log into the system and assign User IDs and filing rights.

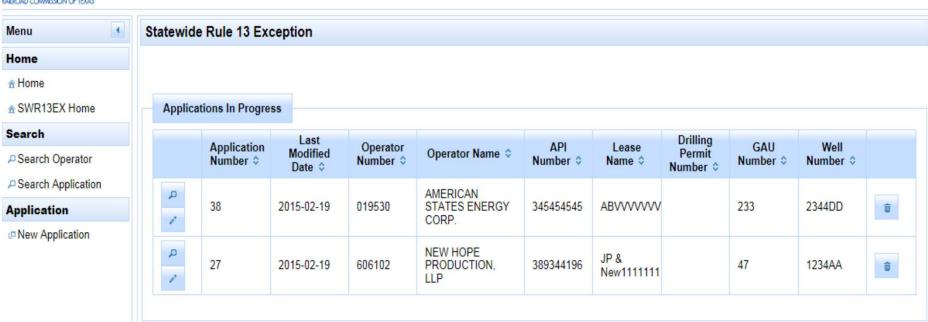


SWR13EX Homepage



Railroad Commission of Texas

User: Rhonda Rogers
Logout



The *SWR13EX Home* is the main landing page of the Statewide Rule 13 (SWR13EX) site, and provides the ability for you to view, sort, delete, or edit SWR13EX Applications that are in progress. From this page you can also go to an application search, as well as start the creation process for a new application.

When navigating to the *SWR13EX Home*, you see a list of SWR13EX applications that are in progress as well as information about those applications, such as application status and operator information.

WISS THE



Statewide Rule 13 Exception Data Sheet

 Op 	erator:	2. P-5 No.:	3. Lease Name:	4. Well No.:
5. Str	eet Address:	7.1000000000000	6. RRC District:	7. Drill Permit No.:
. Fie	ld Name:	9. County:	10. Well Depth:	TVD MD
1. W	ell Location: Latitude:	Long	itude:	Datum:
Surve	v Name:	Abstract No:	Block:	Section:
2. G	AU No.: (attach letter) Rec		13. Base of Usable-Quality Water (determined by GAU):
□We			Separation points:	
4 F	xception Request: Short Surfa	ace Csq □Excess Si	urface Csq Single-string	□Tubing □ Area-wide
	Iternate Program Request:			Other:
6. F	eason for this request: 🗆 Eco	nomic 🗆 Technical 🗆 Ot		iod of 180 days, 13(d)(2)
7. Is	this a proposed injection or disposal v	vell ³ ? ☐ Yes ☐ No	18. Is this a Minimum Separation well	4? □ Yes □ No
	earest town:	Distance to nearest to		miles. Direction:
CE		GROUND SURFACE AS REC	☐ No If yes, name operator(s), lease(s	*
		Annual Control of the	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE.
	23. Proposed Casing and Cen	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.) Setting Depth (ft.)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
ENT	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.) Setting Depth (ft.) Centralizers (no. & placement)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
CEMENT	23. Proposed Casing and Cen Hote Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.) Setting Depth (ft.) Centralizers (nc. & placement) Cement Type	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
LLER CEMENT	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.) Setting Depth (ft) Centralizers (no. & placement) Cement Type # of Sacks and Yield (cu. ft/sk)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
D/FILLER CEMENT	23. Proposed Casing and Cen Hote Size (in.), Casing O.D. (in.) Grade, Weight (lib/ft.) Setting Depth (ft.) Centralizers (no. & placement) Cement Type # of Saoks and Yield (cu. ft./sk) Cement Additives	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
LEAD/FILLER CEMENT	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.) Setting Depth (ft.) Centralizers (nc. & placement) Cement Type # of Sacks and Yield (cu. ft./sk) Cement Additives 24/72-Hr. Comp. Strength (psi)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
	23. Proposed Casing and Cen Hote Size (in.), Casing O.D. (in.) Grade, Weight (lb/ft.) Setting Depth (ft.) Centralizers (no. & placement) Cement Type Ø of Saoks and Yield (ou. ft./sk) Cement Additives 24/72-Hr. Comp. Strength (psi) Height/TOC (ft.), % Excess Free Water Content ²	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
	23. Proposed Casing and Cen Hote Size (in.), Casing O.D. (in.) Grade, Weight (lib/ft.) Setting Depth (ft.) Centralizers (no. & placement) Cement Type # of Sacks and Yield (cu. ft./sk) Cement Additives 24/72-Hr. Comp. Strength (psi) Height/TOC (ft.), % Excess Free Water Content [®] (mL water per 250 mL cement)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
CEMENT LEAD/FILLER CEMENT	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (ib/ft.) Setting Depth (ft.) Centralizers (no. 8. placement) Cement Type # of Sacks and Yield (cu. ft./sk) Cement Additives 24/T2-Hr. Comp. Strength (psi) Height/TOC (ft.), % Excess Free Water Content (im. water per 250 mL cement) Cement Type	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
	23. Proposed Casing and Cen Hole Size (in.), Casing O.D. (in.) Grade, Weight (ib/ft.) Setting Depth (ft.) Centralizers (no. 8. placement) Cement Type # of Sacks and Yield (cu. ft./sk) Cement Additives 24/T2-Hr. Comp. Strength (psi) Height/TOC (ft.), % Excess Free Water Content (im. water per 250 mL cement) Cement Type # of Sacks and Yield (cu. ft./sk) Cement Additives	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)
AIL/CRITICAL CEMENT LEAD/FILLER CEMENT	23. Proposed Casing and Cen Hote Size (in.), Casing O.D. (in.) Grade, Weight (Ib/ft.) Setting Depth (ft.) Centralizers (no. & placement) Cement Type # of Sacks and Yield (ou. ft./sk) Cement Additives 24/72-Hr. Comp. Strength (psi) Height/TOC (ft.), % Excess Free Water Content ² (ml. water per 250 ml. cement) Cement Type # of Sacks and Yield (ou. ft./sk)	nenting Program (for additio	nal casing strings or to report Multi-Stage	THE DISTRICT OFFICE. Tool depths use page 3)

- PROVISIONS APPLICABLE TO RULE 13 EXCEPTIONS:
 REQUESTS FOR EXCEPTIONS TO STATEWIDE RULE 13 SUBMITTED AFTER THE WELL HAS BEEN DRILLED OR COMPLETED MAY RESULT IN ENFORCEMENT ACTION AGAINST THE OPERATOR.
- For area-wide exception requests, please provide a map which clearly defines the area to be exempted. Area-wide approvals are NOT allowed for short surface casing applications. District Offices are not required to grant area-wide exceptions
- Caution: If this well is being drilled for injection or disposal purposes, a(n) injection/disposal well permit may be denied unless
- surface casing is set and cemented through all zones of usable-quality groundwater.

 A Minimum Separation Well, further defined in section 13(a)(2)(L), is a well in which hydraulic fracturing treatments will be conducted AND for which: the vertical distance between BUQW and the top of the formation to be fracture stimulated is less than 1000 ft. or for which the District Director has determined there to be inadequate separation between the BUQW and the top of the formation to be fracture stimulated.
- Review applications 1-3 (Groundwater Database, Submitted Driller's Report, and Brackish Groundwater Database) at the following link to determine location(s) of water wells within 1/2 mile of the proposed well: http://wiid twdb texas gov.
- Refer to the Railroad Commission of Texas Public GIS map viewer to locate injection and disposal wells within 1/4 mile of the
- well(s) mentioned on this application: http://www.rrc.state.tx.us/about-us/resource-center/research/gis-viewers/
 Review W-14 or H-1/H-1A applications at http://www.rrc.state.tx.us/about-us/resource-center/research/online-research-queries/imaged records-menu/ to determine permitted injection/disposal zones for wells within ½ mile of the proposed well. Additionally, refer to Rule 13 Formation Tables provided on the RRC website for information regarding saltwater. H2S, and other notable formation depths by county: http://www.rrc.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info/ Statewide Rule 13 may require cementing across these formations.
- Blowout records can be found at the following URL: http://www.rc.state.tx.us/oil-gas/compliance-enforcement/blowouts-and-well-
- Free water content for tail and critical cement may be provided based on lab data available at the time of submission. If additional lab analyses are required by the District Office, slurries must be tested according to API RP 10B-2, per 13(b)(1)(D)(iii)
- Notify District Office at least 8 hours prior to setting and cementing casing.
- 11. The alternative surface casing program authorized by approval of this application is subject to the condition that drilling fluid used while drilling to the base of usable quality groundwater have a salinity of 3000 ppm TDS or less and be conditioned to form a filter cake sufficient to prevent infiltration into the protected water while drilling with fluid having a salinity greater than 3000 ppm TDS below the base of usable quality groundwater to the approved surface casing depth. The use of oil-based and emulsion drilling fluids are prohibited until casing is set and cemented across the base of usable quality groundwater.
- 12. Note: The following attachments may be requested by the District Office:
 - a. Additional form is required for requests to set surface casing below 3,500' per \$13(b)(1)(A)
 - Proposed wellbore diagram or cementing proposal
 - Lab reports containing compressive strength and free water data for Lead and/or Tail Slurry Any other information be required by the District Office.
- 13. Please note that a copy of the approved application form must be kept on location during all phases of drilling and/or plugging operations. Once approved, changes CANNOT be made to the Proposed Casing and Cementing Program on the original application without additional approval from the District Office.

Date:		_Phone:	Fax:		
Email Address (optional):					
RRC District Office Action—FOR RRC USE	ONLY.			Ref. No:	
TUBING EXCEPTION:		By:			Date:
☐ Approved ☐ Additional Data Required	□ Denied				
SURFACE CASING EXCEPTION:		By:			Date:
☐ Approved ☐ Additional Data Required	☐ Denied				
DRILLING FLUID PROGRAM:		By:			Date:
☐ Approved ☐ Additional Data Required	□ Denied				
ALTERNATE CEMENT PROGRAM:		By:			Date:
☐ Approved ☐ Additional Data Required	□ Denied				



Statewide Rule 13 Exception Data Sheet

Proposed Casing and Cementing Program Supplemental Data Sheet

	Proposed Casing and Cementing Program Supplemental Data Sheet																
								St	ring	String			Tapered String				
		Conductor	Casing	Single-	String	with I	Multi-S	tage To	ool at	with f	Multi-St			т	ор	Bott	om
	Hole Size (in.), Casing O.D. (in.)																
	Grade, Weight (lb/ft.)																
	Setting Depth (ft.)																
	Centralizers (no. & placement)																
	Cement Type									<u> </u>							
	# of Sacks and Yield (cu. ft./sk)																
LEAD/FILLER CEMENT	Cement Additives																
EAD/	24/72-Hr. Comp. Strength (psi)																
-	Height/TOC (ft.), % Excess																
	Free Water Content ⁹ (mL water per 250 mL cement)																
	Cement Type																
.	# of Sacks and Yield (cu. ft./sk)																
TAIL/CRITICAL CEMENT	Cement Additives																
5	24/72-Hr. Comp. Strength (psi)																
≝	Height/TOC (ft.), % Excess																
	Free Water Content ⁹ (mL water per 250 mL cement)																



New Requirements in SWR 13 §13(a)(1)

 Compliance with new rule required for all wells spudded on or after January 1, 2014.

§13(a)(3-5)

• Updates references to wellbore diameter, well casing, centralizers, cementing and casing testing.



New Requirements in SWR 13

§13(a)(6)(A-B)

- Well Control
- Blow Out Preventer Testing Requirements

§13(a)(6)(C)

Drilling Fluid Programs



New Requirements in SWR 13 §13(a)(7)

- Hydraulic Fracturing Treatment Casing Tests
- Minimum Separation Wells

§13(b)(1)(A)

Surface Casing Requirements

§13(b)(1)(I)

Mechanical Integrity Test of Surface Casing



New Requirements in SWR 13

§13(a)(2)(N)

- RRC will establish and maintain list of potential flow zones and corrosive zones by county
- List* is available on website at: <u>http://www.rrc.state.tx.us/oil-gas/compliance-enforcement/rule-13-geologic-formation-info/</u>

^{*}List to be revised as additional information becomes available



New Requirements in SWR 13 Formation Tables

- Formation lists subject to change based on new data.
- Listed formation tops for reference only.
- Compliance with Rule 13 will be based on formation tops listed on completion report.



New Requirements in SWR 13 Example Formation Table

All listed formations require isolation if encountered in well

Mitchell County			
Formation	Shallow Top	Deep Top	Remarks
Santa Rosa	600	600	possible lost circulation
Yates	600	1,250	overpressured, possible flows
7 Rivers	1,300	1,300	
Tubb	2,000	2,000	
San Andres	1,500	2,400	high flows, H2S, corrosive
Glorieta	2,400	2,700	
Wichita	3,300	3,300	
Clearfork	2,500	3,400	
Coleman Junction	3,100	3,600	possible lost circulation
Wolfcamp	4,800	5,300	
Strawn	3,200	5,850	
Odom	6,800	6,900	
Mississippian	6,300	7,900	
Ellenburger	7,200	8,100	



New Requirements in SWR 13 Example Formation Table

All listed formations require isolation if encountered in well

KLEBERG COUNTY				_
Formation	Shallow Top	Deep Top	Remarks	
Miocene / Lagarto / Oakville	1400	6200		-
Wildedile / Eagarte / Carcville	3000	3300	Kingsville Field area H2S	
	2600	6200	Injection/Disposal	
Catahoula Anahuac	2800	4670		-
	3650	3850	Canelo Field area H2S	1
	2800	4670	Injection/Disposal	
Catahoula Frio	2800	14050		-
	8550	8750	Canelo Field area H2S	
	2800	7500	Injection/Disposal	
Vicksburg	6800	8700		
Jackson	11250	11250		



New Requirements in SWR 13 Notification in Drilling Permits

- •RRC query will flag with a permit restrictions any new drill permit application filed on or after 01-01-2014, as any amended new drill application that does not have a spud date prior to 01-01-2014:
- •The restriction will state that "This well must comply with the new Rule 13 requirements concerning the isolation of any potential flow zones and zones with corrosive formation fluids. See approved permit for those formations identified for the county in which you are drilling the well."
- •The approved permit will print out with the information stored in the county table, which is available on the RRC's Internet website.



§13(b)(4)(A-B) - Tubing

All flowing oil wells must be equipped with tubing

NEW - Exceptions up to 180 days may be administratively granted by the director:

- Fee will be required when online system deployed
- Subsequent extensions require a RRC order

Summary



- Statewide Rule 13 designed to protect UQW and maintain well control
- Construct wells to prevent Sustained Casinghead
 Pressure (SCP) and maintain casing integrity
- Call the District Office for assistance



- Q Most new Eagle Ford wells are not required to be equipped with tubing for the first six months. Will this apply to all new wells?
 - A Starting January 1, 2014, an administrative exception to install tubing in a flowing well may be granted by the District Director (no field rule amendment required) for 180 days. If a special field rule exception already has been issued for a particular field, that field rule trumps SWR 13, and compliance is based on that field rule.
- Q For purposes of documentation and compliance, who is responsible for providing certification of BOP equipment--the rig owner or operator?
 - A The operator to whom the drilling/re-entry permit was issued (or the current well operator, if performing a workover) is responsible for obtaining and providing to the RRC upon request the well control equipment certification.



- Q Does the Groundwater Advisory Unit recommendation serve as District Office approval to set surface casing deeper than 3,500'?
 - A No; separate authorization must be obtained from the District Office to set surface casing deeper than 3,500', even if the protection depth is deeper than 3,500'. Authorization may be given on an area-wide basis (e.g. radial area, survey & abstract, etc.)
- Q Does an operator need to obtain an SWR 13 exception from the District Office to set surface casing below 3500 feet?
 - A No, approval to set surface casing below 3,500' is not an exception. However, the operator must notify and receive approval from the District Office prior to setting surface casing deeper than 3,500'. The District Director must approve the method for protection of UQW and maintaining well control. Exceptions will be required to set surface casing greater than 200' below the BUQW.



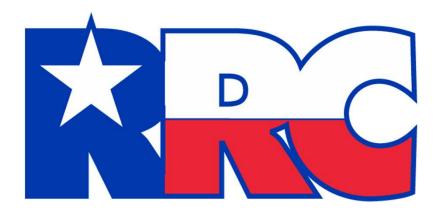
- Q If a disposal/injection permit is issued for a location within ¼ mile of a proposed new well location, is that new permitted disposal/injection zone required to be isolated in the new well?
 - A Yes; note that when SWR 9/46 are officially amended, an injection/disposal permit will not be issued until a drilling permit has been approved for the proposed well location. These wells will be identifiable on the RRC Public GIS.
- Q How does an operator determine if a disposal/injection well is within ¼ mile of a new well proposed location and what is required if a disposal /injection well is identified?
 - ─ A Research RRC Public GIS site and isolate disposal/injection interval with cement in new well.



- Q Does the new rule change the requirements for obtaining a surface casing exception for wells producing at or above the protection depth or for single-string wells?
 - ─ A No; a SWR 13 exception is required for all wells producing at or above the BUQW and single-string wells deeper than 1,000'.
- Q Can a person drill with brine drilling mud through uncased protection depths to prevent washout of shallow salt beds?
 - A The adoption preamble for SWR 13 states that potassium chloride (KCI) may be added to freshwater drilling mud prior to setting surface casing. Permission to use other brines to drill through UQW protection depths may be granted as part of SWR 13 Surface Casing exception request after showing that the drilling fluid program will provide filter cake protection through the UQW interval, or may be added to field rules through the hearing process.



- Q Does it count towards the 360 rotating hours when drilling is taking place in the horizontal section and the drill string is "sliding".
 - A No; hours are only counted when the drill string is actually rotating.



Santos Gonzales, Jr., P. E.

Assistant Director, Field Operations

Email: santos.gonzales@rrc.texas.gov

Phone: (512) 463-6827

Sue Hannaman

Assistant District Director, Midland

Email: sue.hannaman@rrc.texas.gov

Phone: 432-684-5581 Ext. 408